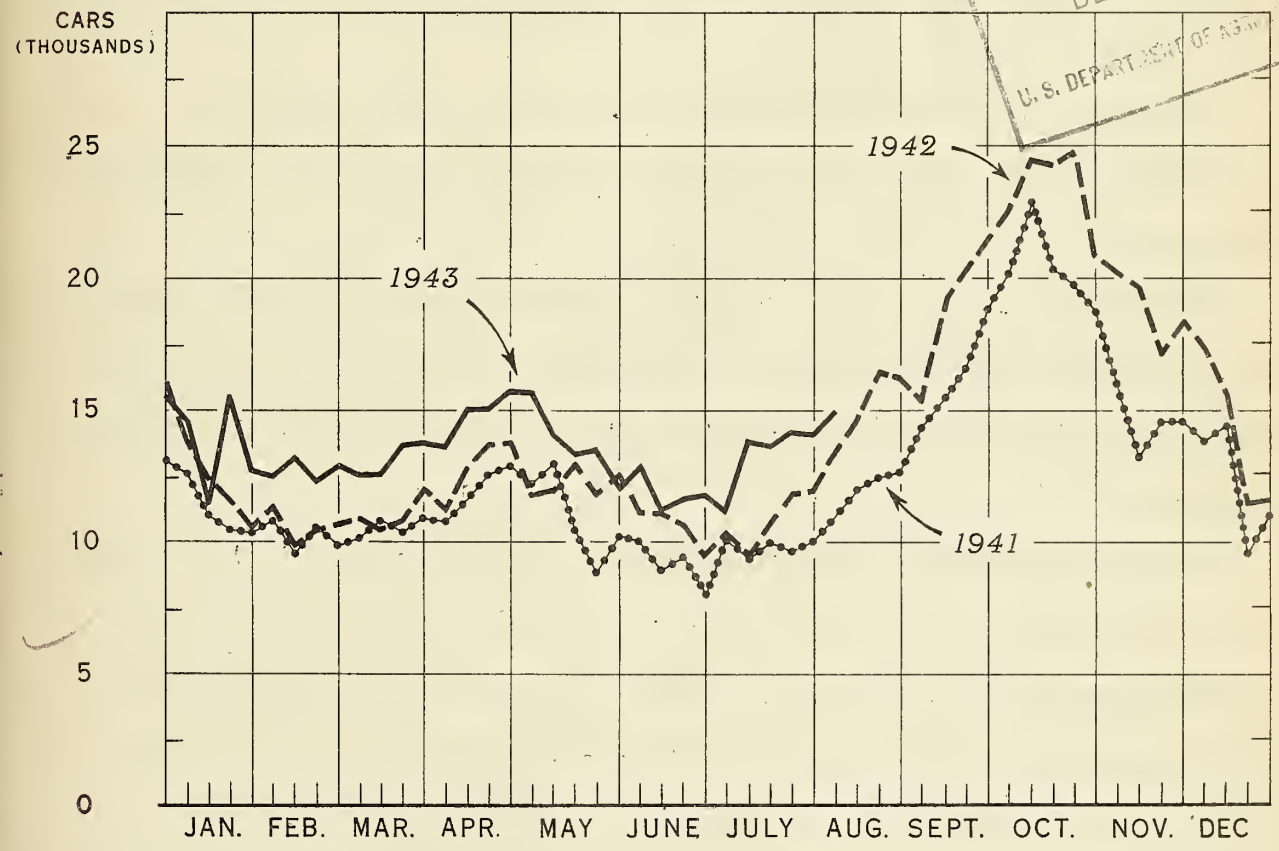
THE Marketing and Transportation SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

MTS-13 BAE AUGUST 1943

LOADINGS OF RAILROAD STOCK CARS IN THE UNITED STATES, 1941-43



U. S. DEPARTMENT OF AGRICULTURE NEG. 43186 BUREAU OF AGRICULTURAL ECONOMICS

Rail carloadings of livestock in the United States have been substantially higher nearly every week since January 1943 than for the corresponding period in 1942. This has been due in considerable part to shifts from motortruck to rail transportation, and to some extent to increased reshipments from public markets. Carloadings the rest of the year are expected to continue higher than a year earlier. It is estimated that marketings of cattle and hogs will increase, and further shifts from motortruck to rail transportation are probable. As a result, stock cars and other rail facilities may be severely taxed during the peak movement this fall.

MARKETING AND TRANSPORTATION SITUATION

AUGUST 1943

SUMMARY

Charges for marketing fixed quantities of food products from American farms to city consumers dropped 7 percent from mid-June to mid-July. This narrowing of middlemen's margins absorbed the major part of the 4 percent decline in retail prices in the same period. Payments to farmers for food products declined 2 percent during the month ending July 15, while the farmers' share of the retail food dollar rose from 55 to 57 cents to equal the recent record highs established in February and March of this year.

The decline in food prices from June to July was due chiefly to Office of Price Administration "roll back" regulations lowering retail price ceilings, and to increased supplies of fresh vegetables.

The decline in food prices from May to June coupled with the continued rise in average income per person enabled the average U.S. consumer to continue to purchase a pre-war 1935-39 "food basket" for the record low share of 16 percent of income.

The livestock transportation situation may become critical in the fall and winter of 1943-44. The greatest demand for rail transportation apparently will be in October when cattle and sheep move from western ranges in largest numbers. For truck transportation, the demand will be greatest when the peak marketing of the record hog crop is under way, expected to be in November and December.

The available railroad stock cars in October will be taxed in order to handle an estimated tonnage 6 percent greater than was handled by about the same number of cars last fall. In the Corn Belt Region, the number of available livestock trucks this fall and winter are estimated to be from 15 to 20 percent smaller than a year earlier, but it is expected that these trucks will be able to handle from 90 to 95 percent as much livestock as were moved by trucks in that region last

fall and winter. Some trucks owned by farmers and by for-hire truckers which are used for other hauling, may have to be pressed into service hauling livestock this fall and winter in areas where the trucking situation becomes critical.

There has been some increase in efficiency of truck transportation during the past year. The livestock truck conservation program announced August 24 by the Office of Defense Transportation, in which farmers, truckers, local transportation committees, extension workers, market agencies, packers and others will participate, is expected to further increase the efficiency of operation of trucks.

August 31, 1943.

TRANSPORTATION FACILITIES FOR LIVESTOCK, FALL AND WINTER, 1943-44

The livestock transportation facilities will be severely taxed during the fall and winter of 1943-44; some expect the situation to become critical. The transportation load for all livestock in October, when it probably will be heaviest is estimated to be about 12 percent greater than in October 1942. This is the month when cattle and sheep are expected to be moved from western ranges in largest numbers. Fortunately, the peak marketings of hogs will come 1 or 2 months later. The transportation load in November and December, when hogs are expected to be marketed in largest numbers, will also be heavy and may even be as great as in October. The increased marketings of livestock compared with a year earlier will have to be handled by a smaller number of trucks and with about the same number of railroad stock cars.

The relative demand for rail transportation for cattle and sheep and truck transportation for hogs will be somewhat different for the two peak marketing periods. The movement of cattle and sheep from ranges will be mostly to Corn Belt markets, feedlots and slaughtering plants. This involves considerable distances, and transportation will be primarily by rail. The heavy hog movement in the fall and winter will be from the Corn Belt to markets and slaughtering plants, most of which will move relatively short distances, and trucks therefore will carry a large proportion. Most of the hogs shipped to more distant markets and those shipped from markets to distant slaughtering plants will move by rail.

Trucking facilities for livestock

Livestock trucks available this fall and winter are estimated to be from 80 to 85 percent as many as were available a year earlier in the Corn Belt Region

(see table 1) 1/. Very little information is available on the trucking facilities in other livestock producing areas, but it is probable that in many of these areas the reductions in numbers of trucks has been about the same as in the Corn Belt Region. However, Montana, outside this region, reports about the same number of trucks as a year earlier.

Members of the livestock marketing Research Committee in the Corn Belt Region are generally agreed that the livestock trucking situation will be critical this fall and winter, although the capacity of the available trucks to haul livestock has not decreased as much as the number of trucks. The trucks that will be on hand are expected to be able to transport from 90 to 95 percent as much livestock as was moved by truck in the corresponding period a year earlier. There is some variation in reports among States. In Michigan, it is estimated the trucks can handle 80 percent, in Wisconsin 75 to 90 percent, and in Illinois 85 percent. However, in Indiana, the estimate is from 110 to 125 percent and for North Dakota from 105 to 110 percent. Estimates for Montana, Minnesota, Nebraska, Ohio and Kentucky are that their trucks will be able to transport as much livestock as a year earlier.

The reason the capacity of the trucks to handle livestock shows less decrease than the number of trucks in operation is that trucking service is more efficient now than it was a year ago. Pick-up service improved, cross-hauling has decreased, and trucks are more fully loaded. Efficiency in operation of livestock trucks is expected to improve further this fall, both as a result of voluntary arrangements among farmers and truckers, and by organized attempts in local communities. A livestock truck conservation program in which farmers, truckers, local transportation committees, extension workers, market agencies, packers and others interested in efficient transportation of livestock was announced August 24 by the Office of Defense Transportation. It is probable that many farm trucks and those operated by for-hire truckers not equipped with livestock racks will have to be pressed into service for hauling livestock this fall and winter in areas where the trucking situation becomes critical.

Factors that will limit livestock trucking

Several factors will contribute to the seriousness of the livestock trucking situation this fall. The increased volume of hogs to be marketed will place a heavier load on trucks. Even when shipped to market by rail, most of them must be delivered by truck to local shipping points. Trucks are also generally used for transporting to local shipping points the cattle and sheep in the range areas that are shipped to market by rail. Driving to the railroad shipping point on foot can

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1/ Estimates on the number and capacity of available trucks for handling livestock factors that will tend to interfere with truck transportation, and ability of railroads to handle livestock in the fall and winter of 1943-44 were made for 14 States in the Corn Belt Region by members of the Corn Belt Livestock Marketing Research Committee, composed of representatives of the Agricultural Experiment Stations in 14 States in the Corn Belt Region and the Bureau of Agricultural Economics, most of whom have been making studies of livestock transportation. Estimates also were received from the Montana Agricultural Experiment Station. Most of those reporting had also conferred with others familiar with livestock transportation problems, such as Extension specialists in marketing, operators at livestock markets, truckers, agricultural agents of railroads, and representatives of the Office of Defense Transportation.

Table 1.- Livestock transportation prospects for the fall and winter of 1943-44, as estimated by members of the Corn Belt Livestock Marketing Research Committee, August 1943 1/

State	Trucks available in fall and winter 1943-44 compared with year earlier	Volume of livestock that can be transported in fall and winter 1943-44 compared with volume transported by truck year earlier	Factors likely to limit truck hauling of livestock in fall and winter 1943-44, listed in order of importance
	Percent	Percent	
N. Dak.	85-87	105-110	Repairs and repair installation, tires, help, new equipment
S. Dak.	86	86	Reliable drivers, trucks, parts and tires, demand for truck for other farm products
Nebr.	78	2/ 100	Parts, manpower, new equipment
Kans.	85-90	90	Mechanics, repairs, drivers, tires
Okla.	80-85	3/ All	Drivers, prompt repairs, tires, fewer trucks
Minn.	80	4/ 100	Repair parts, tires, truck drivers and repairmen, inefficiencies in trucking
Iowa	82	5/ 85-100	Fewer and older trucks, duplication of pick-up routes, tires, parts, drivers
Mo.	80	90	Manpower, repairs, lack of sufficient trucks
Wis.	90	75-90	Replacement parts, quality of repair parts, drivers, tires
Mich.	90	70	Manpower, high truck breakdown, delay in obtaining parts and repairs, truck owners doing other jobs
Ill.	80	85	Drivers, lack of trucks, parts, gasoline
Ind.	75-80	110-125	Repairs, garage labor, tires
Ohio	85	100	Repairs, mechanics, drivers
Ky.	90	100	Repair parts, tires

1/ Corresponding estimates made in April 1943 were reported in The Marketing and Transportation Situation for April - May, 1943. 2/ If repairs are available, and if full use is made of trucks. 3/ May not get to market at most desirable time. Present large supplies of livestock will be forced on market early if feed becomes short in early fall. 4/ If repair parts, tires, truck drivers and repairmen are available, and if truck operation is more efficient. 5/ Depending on efficiency of operation.

Note: For Montana, outside the Corn Belt Region, it is estimated the existing trucks can handle as much livestock as was handled by trucks last year. The problems of truck hauling stressed are, mechanical breakdowns, difficulty of securing tires, and heavier marketings.

be increased, but this would tend to cause greater shrinkage, while grazing and water enroute are often scarce. Another factor to be reckoned with is that the trucks in operation are on the average older than normal because new trucks have not been available for about 2 years. Because of the greater average age, it is probable the trucks will require more than the usual amount of repairs and service.

Reports from States in the Corn Belt Region indicate that manpower shortage is the most serious factor. This applies both to drivers and to mechanics for repairing and servicing the trucks. Inexperienced drivers of livestock trucks are at a disadvantage because their jobs include duties other than driving. They need to help handle livestock, load, and unload, and they may have to give some attention to the load enroute. Inexperienced mechanics not only tend to delay the servicing of trucks but they may not be able to put trucks in efficient condition. It is also reported that some farmers who used to truck considerable livestock for others have discontinued this practice because efficient labor cannot be obtained. The inability to get repair parts promptly is stressed by some as a factor interfering with efficient operation of trucks. Apparently, repair parts are being made available generally but there is often delay in getting them to places where needed.

Relationship between livestock trucking and processing capacities

The slaughtering and processing capacity at packing plants, particularly those in the Corn Belt, will be taxed to the maximum this fall and winter when the record hog crop will be marketed. The peak hog slaughter will probably be in December, but it may come earlier since attempts are being made to have hogs marketed at relatively light weights. Lack of skilled labor will probably be the principal limitation on slaughter capacity this year, particularly in the slaughtering of cattle and sheep. Chilling and storage space also will be limiting factors. If the marketing of hogs during the fall and winter are in excess of slaughtering and processing capacity, some controls over shipments may be necessary in order to avoid congestion. Whatever program is adopted to accomplish this will need to be carefully planned and operated if it is to accomplish its purpose 2/.

Transportation and processing limitations may alter market distributions

The limitations on both livestock trucking facilities and processing facilities will tend to have the effect of modifying the normal distribution of marketings in areas where the situation becomes critical. At some of the public markets in the Corn Belt, livestock receipts are relatively large on one, two, or three days of the week, but relatively small on other days. If farmers and ranchers are unable to get trucks to move their livestock on days when they customarily market, or if some form of control is placed on shipments to market, they will increase their marketings on other days. This is expected to bring about more uniform distribution of receipts during the week, which should be advantageous to the slaughtering plants, to truckers, and to market operators.

The tight situation with respect to truck transportation and processing will probably also result in extending the marketing peak over a longer period than normal. Because it is desirable this year to market the unusually large crop of hogs at relatively light weights in order to conserve the available supply of feed, it is extremely important that the marketing of spring farrowed pigs get underway early. If the peak of marketings should come in December, and if inadequate transportation and processing capacities should force delays in marketing beyond this time further feeding would be required. This would result in marketing at heavier weights, and thus cause a drain on the feed supply. It is apparent, therefore, that farmers who are in position to market early should do so, thereby avoiding the congestion that is likely to occur later.

2/ Several factors which might be considered in dealing with a potentially critical processing situation are outlined in the mimeographed report. "Livestock Transportation and Processing Problems in 1942-43 and 1943-44," Bureau of Agricultural Economics, U.S. Department of Agriculture, December 1942, pp. 14-18.

Railroad Transportation Facilities

Railroad carloadings of livestock in the United States have been higher than nearly every week during the first 7 months of 1943 in the corresponding period of 1942 (see chart on cover page). The total number of livestock cars loaded during that period in 1943 was 15 percent greater than for the same period last year. Stock car loadings per week during the first 8 months of the year are normally only about half the number loaded per week during the peak movement in October. Loadings in December also are normally low but will probably increase materially this year as larger numbers are expected to be used for moving hogs.

The demand for rail service for livestock in October 1942 apparently approached the capacity of the available equipment. Livestock for rail movement during October 1943 is estimated at about 6 percent greater than the volume moved during October 1942. The estimate is arrived at by taking into account a net increase in marketings and by assuming that some transportation will be shifted from truck to rail. Carloadings of livestock comprise primarily rail shipments to markets and to packing plants, rail shipments of stocker and feeder livestock going direct to feeders, and rail shipments from markets to feedlots or to slaughtering plants.

Ability of railroads to handle livestock this fall

The railroads may be able to handle the increased volume this fall if circumstances are very favorable. If the situation becomes tight, the effect probably will be that the marketing peak will be extended over a period longer than normal, and it will probably also tend to bring about more uniform distribution of rail receipts of livestock for different days of the week at some of the public markets. This effect is substantially the same as that for truck transportation of hogs as discussed earlier. Factors that may contribute to a shortage of rail transportation for livestock are (1) heavy movement of troops and war supplies, resulting in delayed movements of stock trains, (2) shortage of locomotives or labor to handle the aggregate rail traffic, (3) seasonally great demands for movement of large numbers of livestock within limited periods, (4) and significant shifts from truck to rail transportation. Range producers should place their orders for stock cars as soon as they are in position to know when they want to ship. Those who can ship in September will have greater assurance of having their orders filled than those who wait until October. The rail situation is not expected to be critical in the Corn Belt Region according to the judgment of members of the Corn Belt Livestock Marketing Research Committee.

Reasons for increased carloadings in 1943

The greater part of the increase in carloadings the first 7 months of 1943 compared with the same period in 1942 has been due to shifts from motortruck to rail transportation. Some is accounted for by larger reshipments from the public stockyards of both slaughter livestock and stockers and feeders, and by a relatively small increase in receipts at the public markets. The shift of livestock from truck to rail during the period of the year when marketings are relatively small helps to conserve the available trucks, and yet does not tax the livestock car supply. Whether the railroads can absorb much of a shift during the peak rail movement in October is doubtful. At that time the maximum use of all available trucks for livestock may be needed to relieve the pressure on the railroads.

Table 2, showing the livestock received at 67 public stockyards from January to July 1943 estimated in carlot equivalents indicates that 62.0 percent arrived by motortruck compared with 66.4 percent in the same period in 1942. Motortruck

receipts of cattle and calves decreased more than for hogs. Receipts of sheep and lambs by motortruck actually increased. The reshipments of livestock from these markets in carlot equivalents, were 17 percent greater the first 7 months of 1943 than for the corresponding period of 1942. The total volume of receipts increased 2 percent.

Table 2. Proportion of the livestock of different species received at 67 public stockyards by motortruck, in carlot equivalents, January-July, 1942 and 1943

Species	Total receipts		Percentage by motortruck	
	1942	1943	1942	1943
	Carlot	Carlot	Percent	Percent
Cattle	280,945	269,164	69.4	62.2
Calves	64,508	52,122	68.2	63.9
Hogs	216,416	250,881	71.3	67.9
Sheep and lambs	58,556	60,244	32.3	34.8
All livestock	620,425	632,411	66.4	62.0

Availability of refrigerator cars for meats

The supply of refrigerator cars is expected to be ample for the shipment of animal products during 1943-44. Currently, there is a surplus of packer-owned or controlled refrigerator cars. In order to save locomotive power, the refrigerator cars are being loaded more heavily than in ordinary times.

Weekly railroad carloadings of livestock

The number of livestock cars of revenue freight loaded per week in the United States for the period 1940 to December 6, 1942 appeared in "Livestock Transportation and Processing Problems in 1942-43 and 1943-44", table 4, pages 22 and 23, issued by the Bureau of Agricultural Economics, December 1942. This series covering the period from December 6, 1942 to August 14, 1943 is continued below with comparisons for the corresponding period a year earlier:

Table 3.- Livestock cars of revenue freight loaded in the United States, by weeks, 1940-42

Week ended	1941-42	1942-43	Week ended	1941-42	1942-43
	Cars	Cars		Cars	Cars
December 13	13,841	17,418	April 17	12,803	15,154
20	14,528	15,661	24	13,785	15,156
27	9,698	11,443	May 1	13,885	15,713
January 2	10,943	11,572	8	11,698	15,688
9	15,939	15,556	15	11,994	14,137
16	13,825	14,570	22	12,853	13,313
23	12,327	11,466	29	11,782	13,564
30	11,517	15,522	June 5	12,484	12,106
February 6	10,414	12,681	12	11,159	12,891
13	11,197	12,471	19	11,031	11,198
20	9,947	13,150	26	10,676	11,521
27	10,470	12,399	July 3	9,508	11,757
March 6	10,689	12,850	10	10,348	11,150
13	10,868	12,504	17	9,570	13,941
20	10,445	12,517	24	10,668	13,767
27	10,797	13,740	31	11,789	14,270
April 3	11,986	13,859	August 7	11,998	14,149
10	11,117	13,765	14	13,479	14,988

Compiled from "Revenue Freight Loaded and Received from Connections" published by the Car Service Division of the Association of American Railroads.

LIVESTOCK INDUSTRY TRANSPORTATION PROGRAM BY ODT

The livestock transportation program which will permit producers, truckers, dealers and processors of livestock to set up industry transportation plans locally for the orderly and continuous movement of livestock by motortruck was announced by Joseph B. Eastman, Director of the Office of Defense Transportation, August 24. The following is the organizational program:

Each ODT District Manager will initiate the formation of Area Livestock Industry Transportation Advisory Committees, one such Committee for each ODT District.

Each Area Livestock Transportation Advisory Committee within each ODT Region is to designate one of its members to represent the livestock industry of each area on a Regional Livestock Industry Transportation Coordinating Committee.

Each Regional Livestock Industry Transportation Coordinating Committee shall designate one of its members to represent the livestock industry of the region on a National Livestock Industry Transportation Coordinating Committee.

Also, Area Livestock Industry Transportation Advisory Committees having any counties or territory within a given State are to designate one person as a member of one of the Area Committees to represent the livestock industry within that State on an overall State Agricultural Transportation Committee.

Membership of National and Regional Livestock Industry Transportation Coordinating Committees may be supplemented by additional representatives of the livestock industry, if in the opinion of the Office of Defense Transportation, it appears advisable.

FOOD STORE OPENINGS AND DISCONTINUANCES

Data on food store openings and discontinuances in Buffalo, New York, and in St. Louis, Missouri, show that, during the year ended June 1943, the number of retail food stores closed were about 5 times as great as the number opened. This information was assembled by the Wholesalers and Retailers Branch of the Food Distribution Administration in cooperation with the National Wholesale Grocers Association. The estimated number of retail food stores closed during this period represents 17 percent of the total for Buffalo and about 14 percent for St. Louis.

The more important reasons given for closings include, (1) manpower shortage, (2) shortage of merchandise, (3) and rationing difficulties. Manpower shortage was much more important as a primary reason for store closings in Buffalo (42.4 percent of the total) than in St. Louis (14.2 percent of total), as might be expected since Buffalo is rated by the War Manpower Commission as a Class I City, whereas St. Louis is rated in Class III. Shortage of merchandise for sale accounted for 21.2 percent of St. Louis closings, but only for 13.4 percent of those in Buffalo. Rationing difficulties drove out 15.0 percent of the food retailers who closed in St. Louis, but accounted for only 10.1 percent of the closings in Buffalo.

The importance of the increased ratio of closings to openings from the point of view of marketing services and costs largely depends upon the extent to which the closings were confined to the little needed or marginal stores. The information assembled was not conclusive on this point.

FARM - RETAIL PRICE SPREADS, JULY 1943

Retail food prices show sharpest decline since 1933

The combination of the "roll back" in prices and larger supplies of perishable vegetables from mid-June to mid-July 1943 contributed to the sharpest drop in retail cost of the farm product "food basket" occurring in any single month since early 1933. The "food basket" is made up of quantities of farm food products representing annual purchases of a typical working man's family. Retail cost dropped by more than 4 percent, from $470 in June to $451 in July, following a 1 percent decline from the high of $475 in May. Lower prices for meat products and for fresh fruits and vegetables contributed nearly equally to the June-July decline The July retail cost of $451 was the lowest since the $448 of March, 1943.

Payments to farmers for produce equivalent to the items in the "food basket" dropped 2 percent from $260 in June to $255 in July. Prices received by farmers showed declines in meat animals, rice, potatoes and apples.

Farmers' share rises to 57 cents

The farmers' share of the retail food dollar rose from 55 cents in June to 57 cents in July to equal the recent record highs of February and March 1943. This compares with a share amounting to 52 cents in July 1942 and 42 cents for the 1935-39 average.

Marketing margins absorb most of retail price decline

The marketing margin, or spread between retail cost of the "food basket" and payments to farmers for equivalent produce, decreased nearly 7 percent from $210 in June to $196 in July. The $19 decline in retail cost of the farm-product food basket was distributed into a $14 decline in the marketing margin and a $5 decline in payments to farmers.

At $196 in July, the marketing margin was about 2 percent above the pre-war 1935-39 average, having fallen from the recent 12-year high of $214 in May 1943.

Meat prices down sharply

Retail prices of meat products as a group (beef, lamb, and pork and lard) fell 8 percent from June to July, while prices paid farmers for livestock, after adjustment for wholesale value of by-products, fell 4 percent and the marketing margin dropped 16 percent. The farmer's share of the consumer meat dollar, after allowing for by-products, rose to 70 cents in July 1943. The retail price changes were greater for beef and pork than for lamb products.

Following the sharp decline of 9 percent in the retail butter price from May to June a rise of 1 percent in July was recorded. Retail price of cheese decreased in July. All dairy products combined did not change appreciably from June to July in retail cost or in payments to farmers.

Fresh fruits and vegetables as a group showed a decline of 10 percent in retail prices from June to July while payments to farmers dropped 8 percent and the marketing spread narrowed by 12 percent. Prices of oranges rose 10 percent at retail and 6 percent at the farm and the marketing margin widened. Potatoes fell 14 percent at retail and 10 percent at the farm, accompanied by a substantial decline in marketing margins.

The abnormally high margin for sweetpotatoes was squeezed down somewhat by a 5 percent decline in retail prices coupled with a 22 percent price rise at the farm. The margin in July was still more than double the level of July 1942 and more than four times the pre-war 1935-39 average.

Retail margins lose part of recent gains

Comparison of trends in food price indexes at farm, wholesale, and retail levels indicate that while retail margins on farm food products increased from February to May, they were reduced in July. This situation probably will be further modified as the effects of the retail price orders are distributed back through earlier stages of marketing.

Food cost declines, consumer income advances

Cost to consumers of a "food basket" representing average pre-war (1935-39) food purchases per consumer fell from $167 in May to $166 in June while average annual income per consumer rose from $1,028 to $1,041. The proportion of consumer income required to purchase the pre-war "food basket" remained at 16 percent, unchanged since September 1942. During late 1942 and early 1943 the rate of increase in average consumer income has kept pace with and exceeded the rise in prices of foods charged consumers.

Table 4. - Annual family purchases of 58 foods 1/

Year and month	Cost at retail	Paid to farmers	Marketing margin	Farmer's share of retail value
	Dollars	Dollars	Dollars	Percent
1913-15 average	236	135	121	53
1920	514	272	242	53
1929	415	195	220	47
1935-39 average	332	141	191	42
1940	314	132	182	42
1941	342	164	178	48
1942	398	209	189	53
1942 - July	401	208	193	52
Aug	402	215	187	53
Sept.	405	216	189	53
Oct.	414	224	190	54
Nov.	418	227	191	54
Dec.	423	234	189	55
1943 - Jan.	430	241	189	56
Feb.	432	246	186	57
Mar.	448	257	191	57
Apr.	462	261	201	56
May	475	261	214	55
June	470	260	210	55
July	451	255	196	57

1/ Important food products produced by American farmers combined in quantities representing annual purchases by a typical workingman's family. Retail price averages for 56 cities from U. S. Bureau of Labor Statistics.

Table 5. - Food cost and expenditures compared with total income per person, United States average 1/

Year and month	Total income	Total expenditures for consumer goods and services	Food expenditures: Actual	Food expenditures: As percentage of Total income	Food expenditures: As percentage of Total expenditures for goods and services	Cost to consumer of fixed quantities of foods representing average annual consumption per person, 1935-39: Actual	Cost to consumer of fixed quantities of foods representing average annual consumption per person, 1935-39: As percentage of Total income	Cost to consumer of fixed quantities of foods representing average annual consumption per person, 1935-39: As percentage of Total expenditures for goods & services
	Dollars	Dollars	Dollars	Percent	Percent	Dollars	Percent	Percent
1935-39 average	520	456	113	22	25	113	22	25
1940	579	497	121	21	24	107	18	22
1941	692	560	140	20	25	120	17	21
1942	857	612	176	21	29	143	17	23
1943 -	Annual rates by months, seasonally adjusted							
Jan.	2/ 973	658	194	20	29	155	16	24
Feb.	2/ 991	688	200	20	29	156	16	23
Mar.	2/1,009	628	208	21	33	162	16	26
Apr.	2/1,023	665	193	19	29	166	16	25
May	2/1,028	713	200	19	28	167	16	23
June	3/ 1,041	3/678	200	3/19	3/29	166	3/16	3/24

1/ See notes in original table, page 3, April - May issue. 2/ Revised.
3/ Preliminary.

Table 6 .- Price spreads between the farmer and the consumer - food products, July 1943

Retail commodity	Table No. 1/	Retail: Unit	Retail: Price	Farm Equivalent: Quantity	Farm Equivalent: Value	Actual margin	Farm value as percentage of retail price
			Cents		Cents	Cents	Percent
Pork products	11	1 lb. prin. pork products	29.5	1.90 lb. live hog	25.1	4.4	85
Dairy products	12	100 lb.milk equivalent	428.4	100 lb.milk equivalent 2/	247.8	180.6	58
Hens	13	1 lb.	44.5	1.11 lb.	28.1	16.4	63
Eggs	14	1 doz.	54.2	1 doz.	36.3	17.9	67
White flour	15	1 lb.	6.1	1.41 lb. wheat	3.0	3.1	49
White bread	16	1 lb.	8.8	0.97 lb. wheat	2.0	6.8	23
Corn meal	17	1 lb.	5.7	1.5 lb. corn	2.9	2.8	51
Rolled oats	18	1 lb.	8.6	1.78 lb. oats	3.6	5.0	42
Corn flakes	19	8-oz. pkg.	6.6	1.275 lb. corn	2.5	4.1	38
Wheat cereal	20	28-oz. pkg.	23.3	2.065 lb. wheat	4.3	19.0	18
Rice	21	1 lb.	12.6	1.51 lb. rough rice	5.9	6.7	47
Navy beans	22	1 lb.	10.0	1 lb. dry beans	5.6	4.4	56
Oranges	24	1 doz.	47.9	1/17 box	18.6	29.3	39
Potatoes	25	1 lb.	4.8	1 lb.	2.8	2.0	58
Apples	35	1 lb.	13.6	1 lb.	5.3	8.3	39
Lamb products	37	1 lb. prin. lamb cuts	36.3	2.16 lb. live lamb	28.7	7.6	79
Sweetpotatoes	38	1 lb.	17.2	1 lb.	4.9	12.3	28
Rye bread	39	1 lb.	9.5	0.39 lb. rye & 0.64 lb. wheat	2.0	7.5	21
Whole wh. bread	40	1 lb.	10.1	0.92 lb. wheat	1.9	8.2	19
Macaroni	41	1 lb.	15.6	1.72 lb. durum wheat	3.5	12.1	22
Soda crackers	42	1 lb.	18.0	1.085 lb. wheat	2.3	15.7	13
Peanut butter	44	1 lb.	33.1	1.73 lb. peanuts	12.4	20.7	37
58 foods combined	8	Annual family consumption	$451	Annual family consumption	$255	$196	57

1/ Table numbers refer to numbering in original 1936 report and annual supplements entitled "Price Spreads Between the Farmer and the Consumer."
2/ Preliminary.

Retail prices from the United States Bureau of Labor Statistics.

Table 7.- Price spreads between the farmer and the consumer - food products, retail price and farm value, July 1943

Commodity	Retail unit	Retail price				Percentage change to July 1943 from-		Farm equivalent	Farm value				Percentage change to July 1943 from-	
		1935-39 average	July 1942	June 1943	July 1943	July 1942	June 1943		1935-39 average	July 1942	June 1943	July 1943	July 1942	June 1943
		Cents	Cents	Cents	Cents	Percent	Percent		Cents	Cents	Cents	Cents	Percent	Percent
Pork products	1 lb. prin. pork products	25.3	29.3	31.6	29.5	+ 1	- 7	1.90 lb. live hogs	15.7	26.2	25.8	25.1	- 4	- 3
Dairy products	100 lb. milk equivalent	324.0	399.1	427.1	428.4	+ 7	2/	100 lb. milk equivalent	146.0	192.6	246.4	1/247.8	+ 29	+ 1
Hens	1 lb.	31.7	39.8	44.4	44.5	+ 12	2/	1.11 lb.	16.5	20.8	27.9	28.1	+ 35	+ 1
Eggs	1 doz.	36.0	46.1	51.7	54.2	+ 18	+ 5	1 doz.	21.7	29.5	35.2	36.3	+ 23	+ 3
White flour	1 lb.	4.5	5.1	6.1	6.1	+ 20	0	1.41 lb. wheat	2.0	2.2	2.9	3.0	+ 36	+ 3
White bread	1 lb.	8.2	8.6	8.8	8.8	+ 2	0	0.97 lb. wheat	1.3	1.5	2.0	2.0	+ 33	0
Corn meal	1 lb.	5.0	4.8	5.6	5.7	+ 19	+ 2	1.5 lb. corn	1.8	2.2	2.8	2.9	+ 32	+ 4
Rolled oats	1 lb.	7.4	8.7	8.6	8.6	- 1	0	1.78 lb. oats	1.9	2.4	3.6	3.6	+ 50	0
Corn flakes	8-oz. pkg.	7.8	7.2	6.7	6.6	- 8	- 2	1.275 lb. corn	1.6	1.9	2.4	2.5	+ 32	+ 4
Wheat cereal	28-oz. pkg.	24.3	24.1	23.2	23.3	- 3	2/	2.065 lb. wheat	2.9	3.3	4.3	4.3	+ 30	0
Rice	1 lb.	8.2	12.2	12.6	12.6	+ 3	0	1.51 lb. rough rice	2.5	5.7	6.0	5.9	+ 4	- 2
Navy beans	1 lb.	6.9	8.9	10.0	10.0	+ 12	0	1 lb. dry beans	3.5	4.5	5.6	5.6	+ 24	0
Oranges	1 doz.	31.5	36.5	43.7	47.9	+ 31	+ 10	1/17 box	9.3	10.8	17.5	18.6	+ 72	+ 6
Potatoes	1 lb.	2.5	3.9	5.6	4.8	+ 23	- 14	1 lb.	1.2	2.1	3.1	2.8	+ 33	- 10
Apples	1 lb.	5.5	8.5	14.9	13.6	+ 60	- 9	1 lb.	1.9	3.2	5.6	5.3	+ 66	- 5
Lamb products	1 lb. prin. lamb cuts	27.2	35.3	38.0	36.3	+ 3	- 4	2.16 lb. live lamb	16.2	25.5	29.2	28.7	+ 13	- 2
Sweetpotatoes	1 lb.	4.4	7.3	18.1	17.2	+136	- 5	1 lb.	1.5	2.0	4.0	4.9	+145	+ 22
Rye bread	1 lb.	9.1	9.2	9.4	9.5	+ 3	+ 1	0.39 lb. rye & 0.64 lb. wheat	1.3	1.4	1.9	2.0	+ 43	+ 5
Whole wheat bread	1 lb.	9.3	9.9	10.2	10.1	+ 2	- 1	0.92 lb. wheat	1.3	1.5	1.9	1.9	+ 27	0
Macaroni	1 lb.	15.0	14.1	15.5	15.6	+ 11	+ 1	1.72 lb. durum wheat	2.3	2.6	3.5	3.5	+ 35	0
Soda crackers	1 lb.	16.9	16.5	17.7	18.0	+ 9	+ 2	1.085 lb. wheat	1.5	1.7	2.2	2.3	+ 35	+ 5
Peanut butter	1 lb.	19.3	26.0	33.1	33.1	+ 27	0	1.73 lb. peanuts	6.1	9.7	12.1	12.4	+ 28	+ 2
58 foods combined	Annual family consumption	$332	$401	$470	$451	+ 12	- 4	Annual family consumption	$141	$208	$260	$255	+ 23	- 2

Retail prices are 51-city averages prior to 1943, 56-city January 1943 to date, as published by the United States Bureau of Labor Statistics - Farm values are calculated from U. S. average farm price.

1/ Preliminary. 2/ Less than 0.5 percent.

Table 8 .- Price spreads between the farmer and the consumer - food products, margins, and farm value as percentage of retail price, July 1943

Commodity	Retail unit	Margin				Percentage change to July 1943 from-		Farm value as percentage of retail price			
		1935-39 average	July 1942	June 1943	July 1943	July 1942	June 1943	1935-39 average	July 1942	June 1943	July 1943
		Cents	Cents	Cents	Cents	Percent	Percent	Percent	Percent	Percent	Percent
Pork products	1 lb. prin. pork products	9.6	3.1	5.8	4.4	+ 42	- 24	62	89	82	85
Dairy products	100 lb. milk equiv.	178.0	205.5	180.7	1/180.6	- 12	2/	45	48	58	58
Hens	1 lb.	15.2	19.0	16.5	16.4	- 14	- 1	52	52	63	63
Eggs	1 doz.	14.3	16.6	16.5	17.9	+ 8	+ 8	60	64	68	67
White flour	1 lb.	2.5	2.9	3.2	3.1	+ 7	- 3	44	43	48	49
White bread	1 lb.	6.9	7.1	6.8	6.8	- 4	0	16	17	23	23
Corn meal	1 lb.	3.2	2.6	2.8	2.8	+ 8	0	36	46	50	51
Rolled oats	1 lb.	5.5	6.3	5.0	5.0	- 21	0	26	28	42	42
Corn flakes	8-oz. pkg.	6.2	5.3	4.3	4.1	- 23	- 5	21	26	36	38
Wheat cereal	28-oz. pkg.	21.4	20.8	18.9	19.0	- 9	+ 1	12	14	19	18
Rice	1 lb.	5.7	6.5	6.6	6.7	+ 3	+ 2	30	47	48	47
Navy beans	1 lb.	3.4	4.4	4.4	4.4	0	0	51	51	56	56
Oranges	1 lb.	22.2	25.7	26.2	29.3	+ 14	+12	30	30	40	39
Potatoes	1 lb.	1.3	1.8	2.5	2.0	+ 11	-20	48	54	55	58
Apples	1 lb.	3.6	5.3	9.3	8.3	+ 57	-11	35	38	38	39
Lamb products	1 lb.prin.lamb cuts	11.0	9.8	8.8	7.6	- 22	-14	60	72	77	79
Sweetpotatoes	1 lb.	2.9	5.3	14.1	12.3	+ 132	-13	34	27	22	28
Rye bread	1 lb.	7.8	7.8	7.5	7.5	- 4	0	14	15	20	21
Whole wheat bread	1 lb.	8.0	8.4	8.3	8.2	- 2	- 1	14	15	19	19
Macaroni	1 lb.	12.7	11.5	12.0	12.1	+ 5	+ 1	15	18	23	22
Soda crackers	1 lb.	15.4	14.8	15.5	15.7	+ 6	+ 1	9	10	12	13
Peanut butter	1 lb.	13.2	16.3	21.0	20.7	+ 27	- 1	32	37	37	37
58 foods combined	Annual family consumption	$191	$193	$210	$196	+ 2	- 7	42	52	55	57

1/ Preliminary 2/ Less than 0.5 of 1 percent.

Table 9. - Farm products: Indexes of prices at several levels of marketing, 1935-39 = 100

Year and month	Cost of living: city families 1/	Foods: Retail prices of all foods 1/	Foods: Wholesale prices 2/	Foods: Farm prices of 58 foods 3/	Fibers: Retail prices of clothing 1/	Fibers: Wholesale prices of textile products 2/	Fibers: Farm prices of cotton and wool 4/	Wholesale prices of all farm products 2/	Farm prices of all products 3/	Prices paid by farmers 3/
1913	71	80	81	95	69	81	111	94	95	81
1914	72	82	82	97	70	77	97	94	95	80
1916	78	91	96	110	78	99	131	111	111	100
1918	108	134	151	174	128	193	281	195	190	141
1920	143	169	174	193	201	232	282	198	199	162
1929	122	132	126	138	115	127	167	138	137	123
1932	98	86	77	62	91	77	55	63	61	86
1935	98	100	106	98	97	100	109	104	102	100
1936	99	101	104	108	98	101	114	106	107	100
1937	103	105	108	113	103	107	111	114	114	105
1938	101	98	93	92	102	94	81	90	89	98
1939	99	95	89	89	100	98	85	86	88	97
1940	100	97	90	94	102	104	97	89	92	99
1941	105	105	105	116	106	119	131	108	115	105
1942	116	124	126	148	124	136	178	139	148	122
1939 -Aug.	-	94	85	85	-	96	85	80	83	96
Sept.	101	98	95	95	100	101	91	90	92	98
1942- July	117	125	125	148	125	137	178	139	142	122
Aug.	118	126	127	152	125	137	174	140	152	122
Sept.	118	127	130	153	126	137	179	142	151	123
Oct.	119	130	131	159	126	137	182	143	156	124
Nov.	120	131	131	161	126	137	184	145	158	125
Dec.	120	133	132	166	126	137	187	150	170	125
1943- Jan.	121	133	133	170	126	137	189	154	174	127
Feb.	121	134	134	174	126	137	188	157	171	129
Mar.	123	137	136	182	128	137	191	148	173	129
Apr.	124	141	137	185	128	137	192	163	175	130
May	125	143	140	185	128	137	192	165	176	131
June	125	142	139	184	128	137	192	166	179	132
July	124	139	136	181	129	137	189	165	174	133

1/ From "Changes in Cost of Living" Bureau of Labor Statistics.
2/ Calculated from figures of the Bureau of Labor Statistics.
3/ Based on figures published by the United States Department of Agriculture.
4/ Cotton and wool prices weighted by production in the period 1935-39.

Table 10.- Indexes of food costs, consumer income and of charges and hourly earnings in marketing, 1935-39 = 100

Year and month	Retail cost of 58 foods	Non-agricultural income payments 1/	Monthly earnings per employed factory worker 2/	Payments to farmers for 58 foods	Marketing margins of 58 foods	Hourly earnings in marketing enterprises: Class I steam railways 3/	Food processing 4/	Food marketing 5/	Cotton processing 4/
1929	125	122	118	138	115	93	-	-	-
1935-39 average	100	100	100	100	100	100	100	100	100
1940	95	115	111	94	95	105	110	105	106
1941	103	137	132	116	93	106	116	110	119
1942	120	169	166	148	99	119	128	120	139
1942 - July	121	170	165	148	101	117	128	120	136
Aug.	121	173	171	152	98	117	125	120	141
Sept.	122	174	174	153	99	119	125	121	148
Oct.	125	6/ 179	178	159	99	118	130	122	148
Nov.	126	184	182	161	100	121	131	123	149
Dec.	127	6/ 188	183	166	99	120	133	122	149
1943 - Jan.	130	6/ 192	182	171	99	120	134	126	150
Feb.	130	6/ 195	185	174	97	123	135	127	150
Mar.	135	6/ 197	188	182	100	119	136	127	151
Apr.	139	6/ 200	192	185	105	120	136	128	151
May	143	6/ 202	6/ 194	185	112	120	139	129	152
June	142	7/ 205	7/ 196	184	110	119	140	130	152
July	136	-	-	181	103	-	-	-	-

1/ United States Department of Commerce estimates. Adjusted for seasonal variation. Revised series.
2/ Prepared in the Bureau of Agricultural Economics from data of the United States Bureau of Labor Statistics, adjusted for seasonal variation.
3/ Compiled from data published by the Interstate Commerce Commission.
4/ United States Bureau of Labor Statistics.
5/ Weighted composite of earnings in steam railways, food processing, wholesaling, and retailing.
6/ Revised.
7/ Preliminary estimates.

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